

# Memorandum



**Date:** May 8, 2007

**To:** Honorable Chairman, Bruno A. Barreiro  
and Members, Board of County Commissioners

Agenda Item No. 8(K)(1)(B)

**From:** George M. Burgess  
County Manager

**Subject:** Resolution Approving Qualified Target Industry Tax Refund  
for Confidential Project #07-00135

## **Recommendation**

It is recommended that the Board approve the attached resolution that recommends Confidential Project #07-00135 be approved as a Qualified Target Industry (QTI) business. The attached documents relating to the support for a QTI tax refund, under the State of Florida QTI tax refund program pursuant to Florida Statutes Section 288.106, have been prepared by the Office of Community and Economic Development in conjunction with the Beacon Council.

## **Scope**

The business operations of this project will bring 75 high-quality, high-income jobs that will primarily impact Commission District 1, but also will have a positive countywide impact through indirect employment and multiplier effect.

## **Fiscal Impact / Funding Source**

The County uses general revenues to fund this incentive. Confidential Project No. 07-00135 has applied for \$105,000 in matching QTI State funds. In addition, the business is also applying for consideration of Targeted Job Incentive Fund (TJIF) incentive in the amount of \$733,450. This request is being brought to the Board under a separate item.

If both the QTI and TJIF incentives are approved, the County will provide a total of \$838,450 in economic development incentives to the business. The County's payout of both QTI and TJIF funds is being extended beyond the normal periods (usually six years and three years, respectively) to lessen the impact to the County of assisting through both programs.

## **Track Record/Monitor**

This is a new business for Miami-Dade County, so there is no local track record established.

QTI funds provided for job creation are provided as a matching basis upon the State of Florida invoicing the County for jobs created that the State has verified. In essence, the State monitors the creation of the QTI jobs.

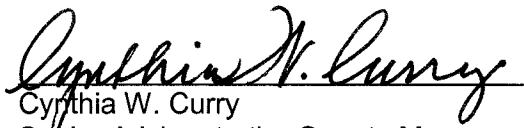
**Background**

Confidential Project No. 07-00135 is a business involved in the bioscience/life sciences industry, and is currently looking at Baltimore, Maryland and New Jersey, in addition to Miami-Dade County, as possible locations to develop a facility for the production of premium products and instruments for research and clinical applications. Below is more detailed background information on the project:

APPLICANT:	Confidential Project No. 07-00135
HEADQUARTERS LOCATION:	N/A
PROPOSED LOCATION IN MIAMI-DADE COUNTY:	50 NW 176 <sup>th</sup> Street
OTHER LOCATIONS UNDER CONSIDERATION:	Baltimore; New Jersey
DATE OF TJIF APPLICATION:	February 9, 2007
OVERALL BUSINESS ACTIVITY/MISSION:	To develop a facility for the production of premium products and instruments for research and clinical applications.
PROPOSED LOCAL BUSINESS ACTIVITY:	Bioscience Business
PROPOSED CAPITAL INVESTMENT:	\$21.1 million
TARGETED INDUSTRY:	Life Sciences
PROPOSED LOCATION IN DESIGNATED PRIORITY AREA:	Enterprise Zone and proposed Brownfield Area
NEW BUSINESS OR EXPANDING BUSINESS:	New
NUMBER OF DIRECT JOBS TO BE CREATED/RETAINED:	75
EFFORT IN HIRING RESIDENS IN LOCAL AREA:	Miami-Dade County
INDIVIDUAL ANNUALIZED WAGES FOR NEW JOBS:	\$54,152
ANNUAL EMPLOYEE BENEFIT PACKAGE:	\$18,953
NUMBER OF INDIRECT JOBS TO BE CREATED:	56
NUMBER OF YEARS TO CREATE NEW JOBS:	8
MAXIMUM TAX REFUND PER JOB:	\$7,000

MAXIMUM INCENTIVE AWARD APPLIED FOR:	\$525,000
EST. INCREMENTAL COUNTY TAX REVENUE:	\$710,256
COUNTY'S MAXIMUM 20% AWARD ON PROJECT:	\$105,000
STATE 80% MAXIMUM CONTRIBUTION:	\$420,000
TYPE OF FUNDS REQUESTED IN APPLICATION:	General Revenue Funds
COMMENTS:	Information for this item was provided by The Beacon Council.

Attachment

  
Cynthia W. Curry  
Senior Advisor to the County Manager



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Bruno A. Barreiro  
and Members, Board of County Commissioners

**DATE:** May 8, 2007

**FROM:** Murray A. Greenberg  
County Attorney

A handwritten signature in black ink, appearing to read "Murray A. Greenberg", is written over the printed name of the County Attorney.

**SUBJECT:** Agenda Item No. 8(K)(1)(B)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(K)(1)(B)  
5-8-07

RESOLUTION NO. \_\_\_\_\_

RESOLUTION APPROVING CONFIDENTIAL PROJECT NO. 07-00135 AS A QUALIFIED TARGET INDUSTRY BUSINESS PURSUANT TO FLORIDA STATUTES S-288.106, CONFIRMING THAT THE COMMITMENTS OF LOCAL FINANCIAL SUPPORT NECESSARY FOR CONFIDENTIAL PROJECT #07-00135 EXIST; AND PROVIDING AN APPROPRIATION OF UP TO \$105,000 FROM GENERAL REVENUE FUNDS AS LOCAL PARTICIPATION IN THE STATE OF FLORIDA QUALIFIED TARGET INDUSTRY TAX REFUND PROGRAM FOR FISCAL YEARS 2008 THROUGH 2018, INCLUSIVE, OR OVER A TIME PERIOD AS DETERMINED BY THE STATE OF FLORIDA IN ITS APPROVAL OF CONFIDENTIAL PROJECT #07-00135 APPLICATION WITH THE PROVISIO THAT ANY TAX ABATEMENT GRANTED TO CONFIDENTIAL PROJECT #07-00135 UNDER FLORIDA STATUTE 196.1995 REDUCES ANY QUALIFIED TARGET INDUSTRY TAX REFUND TO CONFIDENTIAL PROJECT #07-00135 BY THE AMOUNT OF ANY SUCH TAX ABATEMENT GRANTED, IN COMPLIANCE WITH FLORIDA STATUTE 288.106(5)9; AND PROVIDING FOR AN EFFECTIVE DATE

**WHEREAS**, this Board desires to accomplish the purposes outlined in the accompanying memorandum, Economic Impact Overview, and Application and Agreement, copies of which are incorporated herein by reference; and

**WHEREAS**, said industries include enterprises like Confidential Project #07-00135, that relocate, expand or otherwise increase their operations within the County, and which increase employment by at least ten (10) jobs,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board hereby finds that attracting, retaining and providing favorable conditions for the growth of target industries provide quality employment opportunities for residents of the County and enhance the County's

economic foundations and recommends that Confidential Project No. 07-00135 be approved as a qualified target industry business pursuant to Florida Statute 288.16, which created the Qualified Target Industry Tax Refund Program.

The necessary commitment of local financial support for Confidential Project #07-00135, as required under Florida Statute 288.106, exists in an amount not to exceed \$105,000 from General Revenue Funds; and that this local financial support will be available in the following increments:

Fiscal Year 2008	\$9,545
Fiscal Year 2009	\$9,545
Fiscal Year 2010	\$9,545
Fiscal Year 2011	\$9,545
Fiscal Year 2012	\$9,545
Fiscal Year 2013	\$9,545
Fiscal Year 2014	\$9,545
Fiscal Year 2015	\$9,545
Fiscal Year 2016	\$9,545
Fiscal Year 2017	\$9,545
Fiscal Year 2018	\$9,550
<b>TOTAL</b>	<b>\$105,000</b>

or payable over a time period and at annual amounts as determined by the State of Florida in its approval of Confidential Project #07-00135 application, as long as the \$105,000 total is not exceeded with the proviso that any tax abatement granted to Confidential Project No. 07-00135, under Florida Statute 196.1995, reduces any QTI tax refund by the amount of any such abatement granted, in compliance with Florida Statute 288.106(5)(c); and will be paid to the Florida Economic Development Trust Fund with the stipulation that these funds are intended to represent the "local financial support" required by Florida Statute 288.106 for Confidential Project #07-00135 in compliance with the QTI Program, including the requirement that at least ten (10) jobs be created.

The necessary commitment of local financial support shall be contingent on Confidential Project No. 07-00135 maintaining the jobs during the life of the incentive and ensuring that its hiring practices are consistent with and reflect the diversity of the Miami-Dade County community.

The foregoing resolution was offered by Commissioner ,  
who moved its adoption. The motion was seconded by Commissioner  
and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrian D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 8<sup>th</sup> day of May, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.



Shannon D. Summerset



## THE BEACON COUNCIL

### CONFIDENTIAL

February 14, 2007

Ms. Cynthia Curry  
Senior Advisor to the Miami-Dade County Manager  
111 NW 1st Street, Suite 2910  
Miami, FL 33128

Dear Ms. Curry:

Enclosed please find the QTI application for Confidential Project #07-00135, codename "Project Detect." The project has requested confidentiality and is covered by Florida State Statute Section 288.075.

Project Detect is considering the purchase of a manufacturing facility in Miami-Dade County. The project would renovate the site for the production of premium products and instruments for research and clinical applications.

The impact of this project will be significant and multifaceted. As a company within a targeted industry, Project Detect will bring 75 high paying jobs to the County over an 8 year period. Further, the project involves a \$21.1 million capital investment and will be located in an Enterprise Zone.

Our approach to the incentives was originally reviewed with County Manager Burgess in December 2006. We agreed that we wanted to be aggressive in our negotiations as the result would bring a high profile North East biopharmaceutical company to Miami-Dade that would further support Miami-Dade as a Bio Center. The competition is Baltimore and Northern New Jersey and incentives will play a significant if not deciding role in the final decision. Enterprise Florida has also committed to very aggressive approach to this project, fully supporting a lengthened QTI term as well as other incentive support.

The company is applying for a QTI/TJIF combination, which not only recognizes the new jobs being created, but also the significant capital being committed by the project. The QTI and TJIF combination has a ROI to the County of 1.1. We are recommending a QTI that will be extended through an 11 year period, and will include Enterprise Zone and Brownfield benefits. The State of Florida will support 80% of the QTI and 100% of the Brownfield Bonus. The County TJIF will include an 8 year period, extending by two years the usual TJIF term.

The QTI includes 75 new jobs created between 2008 and 2015, producing a maximum payout of \$105,000, paid over 11 years. Attached is the project economic impact analysis prepared by the Beacon Council's Research Department. The State of Florida will

Miami-Dade  
County's  
Official  
Economic  
Development  
Partnership

80 Southwest  
Eighth Street  
Suite 2400  
Miami,  
Florida  
33130  
Telephone:  
305.579.1300  
Facsimile:  
305.375.0271  
www.beacon  
council.com





2/14/2007

pay the remaining 80% of the QTI, or \$420,000, over an 11 year period and will also pay 100% of the Brownfield Bonus applicable or \$150,000 also over the 11 year span.

The TJIF includes an 8 year payout of \$ 733,450 and recognizes the incremental increase in property taxes that will be created as a result of the significant new investment of capital.

We are expediting the QTI application because we are soon going to request a letter preserving inducement. The company is currently negotiating with the landlord for the site and it may need to make a decision quickly. The TJIF application will follow shortly. We request that once all the necessary application materials are submitted and that your review process is completed, that a resolution be prepared and placed on the agenda of an upcoming Economic Development and Human Services Committee.

Once you have reviewed the applications, please feel free to contact me should you have any questions. I can be reached at (305) 579-1343 or by e-mail at [sbeatus@beaconcouncil.com](mailto:sbeatus@beaconcouncil.com).

Sincerely,

Stephen Beatus  
Associate Executive Vice President,  
Expansion, Retention, Recruitment  
& Urban Initiatives

SB/gim

Encl.

cc: Alina Tejeda Hudak, Assistant Miami-Dade County Manager  
Jose Cintron, Director, OCED  
Carlos Alvarez, Mayor of Miami-Dade County  
George Burgess, Miami-Dade County Manager

## INCENTIVE PROPOSAL CHECKLIST

Confidential Project # 07-00135

1. Enterprise Zone:	Yes
2. Total Number of New Jobs Projected	75
3. Average Salary per Job	\$54,152
4. New Capital Investment	\$21,100,000
5. New Square Footage	TBD
6. Per Job Incentive	\$7,000

### QUALIFIED TARGET INDUSTRY TAX REFUND (QTI) BASED UPON THE CREATION OF

75 New Jobs Over 8 Year(s)

#### TOTAL QTI TAX REFUND

1. State of Florida Portion (80%)	\$420,000
2. Miami-Dade County Match (20%)	\$105,000
Total QTI Tax Refund Proposal	\$525,000

#### RETURN ON INCENTIVE INVESTMENT (ROI)

1. Miami-Dade County Incremental Tax Revenue*	\$1,185,158
2. Total Miami-Dade County (20%) QTI Match	\$105,000
3. Miami-Dade County Net Revenue Benefit	\$1,080,158
Total ROI Gain/Loss/Breakeven	11.3

\* See Economic Impact Model

## SUMMARY OF ECONOMIC IMPACT

Confidential Project # 07-00135

Totals represent what Miami-Dade County  
would potentially gain over a projected six year  
period if the business  
expands in Miami- Dade County.

### ***Employment***

Direct Employment	75
Indirect Employment	56
<b>Total Employment Gain</b>	<b>131</b>

### ***Income from Wages***

Direct Employment	\$35,395,691
Indirect Employment	\$13,273,384
<b>Total Income Gain</b>	<b>\$48,669,075</b>

### ***Revenue to Miami-Dade County***

<b>Total Property Taxes</b>	<b>\$1,161,505</b>
<b>Total Local Sales Taxes</b>	<b>\$23,653</b>
<b>Total Tax Revenue Gain</b>	<b>\$1,185,158</b>
<b>Total Miami-Dade County (20%) QTI Match</b>	<b>\$105,000</b>
<b>Miami-Dade County Net Revenue Benefit</b>	<b>\$1,080,158</b>

THE BEACON COUNCIL ECONOMIC IMPACT MODEL

Confidential Project # 07-00135

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	TOTAL
<b><u>EMPLOYMENT</u></b>												
Total Direct Jobs	32	36	36	42	50	57	66	75	75	75	75	619
Indirect Employment	24	27	27	32	38	43	50	56	56	56	56	464
<b><u>TOTAL EMPLOYMENT</u></b>	56	63	63	74	88	100	116	131	131	131	131	1,083
<b><u>INCOME (\$1,000)</u></b>												
<b><u>WAGES &amp; SALARY</u></b>												
Total Direct Wages	\$1,732.9	\$2,008.0	\$2,068.2	\$2,412.9	\$2,872.5	\$3,274.6	\$3,791.7	\$4,308.7	\$4,308.7	\$4,308.7	\$4,308.7	\$35,395.7
Total Indirect Wages	\$649.8	\$753.0	\$775.6	\$904.8	\$1,077.2	\$1,228.0	\$1,421.9	\$1,615.8	\$1,615.8	\$1,615.8	\$1,615.8	\$13,273.4
<b><u>TOTAL WAGES &amp; SALARIES</u></b>	\$2,382.7	\$2,760.9	\$2,843.8	\$3,317.7	\$3,949.7	\$4,502.6	\$5,213.6	\$5,924.5	\$5,924.5	\$5,924.5	\$5,924.5	\$48,669.1
<b><u>TOTAL INCOME</u></b>	\$2,382.7	\$2,760.9	\$2,843.8	\$3,317.7	\$3,949.7	\$4,502.6	\$5,213.6	\$5,924.5	\$5,924.5	\$5,924.5	\$5,924.5	\$48,669.1
<b><u>INCREMENTAL PROPERTY TAXES (\$1,000)</u></b>												
<b>Building &amp; Equipment Taxes</b>												
<b><u>TOTAL PROPERTY TAXES</u></b>	\$437.8	\$425.1	\$413.7	\$403.5	\$394.2	\$385.9	\$378.5	\$371.7	\$365.7	\$360.2	\$355.3	\$4,291.6
<b>MIAMI-DADE PROPERTY TAXES</b>	\$118.5	\$115.1	\$112.0	\$109.2	\$106.7	\$104.5	\$102.4	\$100.6	\$99.0	\$97.5	\$96.2	\$1,161.5
<b><u>SALES TAXES (\$1,000)</u></b>												
Available Income	\$2,382.7	\$2,760.9	\$2,843.8	\$3,317.7	\$3,949.7	\$4,502.6	\$5,213.6	\$5,924.5	\$5,924.5	\$5,924.5	\$5,924.5	\$48,669.1
Less Federal Income Tax	\$1,906.2	\$2,208.8	\$2,275.0	\$2,654.2	\$3,159.7	\$3,602.1	\$4,170.9	\$4,739.6	\$4,739.6	\$4,739.6	\$4,739.6	\$38,935.3
Less Hous. Ins. Prop Tax	\$1,429.6	\$1,656.6	\$1,706.3	\$1,990.6	\$2,369.8	\$2,701.6	\$3,128.1	\$3,554.7	\$3,554.7	\$3,554.7	\$3,554.7	\$29,201.4
Less Savings, Life Insur.	\$1,286.7	\$1,490.9	\$1,535.6	\$1,791.6	\$2,132.8	\$2,431.4	\$2,815.3	\$3,199.2	\$3,199.2	\$3,199.2	\$3,199.2	\$26,281.3
Less Food, Drugs, Other Non-Tax	\$965.0	\$1,118.2	\$1,151.7	\$1,343.7	\$1,599.6	\$1,823.6	\$2,111.5	\$2,399.4	\$2,399.4	\$2,399.4	\$2,399.4	\$19,711.0
Avail. Income For Sales Tax	\$965.0	\$1,118.2	\$1,151.7	\$1,343.7	\$1,599.6	\$1,823.6	\$2,111.5	\$2,399.4	\$2,399.4	\$2,399.4	\$2,399.4	\$19,711.0
State Sales Tax Realized	\$57.9	\$67.1	\$69.1	\$80.6	\$96.0	\$109.4	\$126.7	\$144.0	\$144.0	\$144.0	\$144.0	\$1,182.7
Local Sales Tax Realized	\$1.2	\$1.3	\$1.4	\$1.6	\$1.9	\$2.2	\$2.5	\$2.9	\$2.9	\$2.9	\$2.9	\$23.7
<b><u>TOTAL SALES TAXES (\$1,000)</u></b>	\$59.1	\$68.4	\$70.5	\$82.2	\$97.9	\$111.6	\$129.2	\$146.8	\$146.8	\$146.8	\$146.8	\$1,206.3
<b><u>TOTAL MIAMI-DADE PROPERTY &amp; SALES TAXES (\$1,000)</u></b>												
<b><u>TOTAL PROPERTY &amp; SALES TAXES (\$1,000)</u></b>	\$119.6	\$116.4	\$113.4	\$110.8	\$108.6	\$106.6	\$105.0	\$103.5	\$101.8	\$100.4	\$99.0	\$1,185.2
<b><u>TOTAL PROPERTY &amp; SALES TAXES (\$1,000)</u></b>												
<b><u>TOTAL PROPERTY &amp; SALES TAXES (\$1,000)</u></b>	\$496.8	\$493.5	\$484.2	\$485.7	\$492.1	\$497.5	\$507.7	\$518.6	\$512.5	\$507.1	\$502.2	\$5,497.9

# THE BEACON COUNCIL ECONOMIC IMPACT MODEL - ASSUMPTIONS

Confidential Project # 07-00135

## Employment Assumptions

### *New Direct Permanent Jobs*

Year 1	32
Year 2	36
Year 3	36
Year 4	42
Year 5	50
Year 6	57
Year 7	66
Year 8	75
Year 9	75
Year 10	75
Year 11	75

*Incremental Multiplier* 0.75

\* For every 100 direct jobs, 75 indirect jobs will be created. Total multiplier effect is 1.75

## Annual Income Assumptions

Yearly Salary, Direct Permanent Job	\$54,152
Indirect Job Salary	\$27,076

## Capital Investment

### **Total Cap. Inv.**

Y1 Value	\$21,100,000
Y2 Value	\$20,490,000
Y3 Value	\$19,941,000
Y4 Value	\$19,446,900
Y5 Value	\$19,002,210
Y6 Value	\$18,601,989
Y7 Value	\$18,241,790
Y8 Value	\$17,917,611
Y9 Value	\$17,625,850
Y10 Value	\$17,363,265
Y11 Value	\$17,126,938

### **Realty Prop.**

### **Equip.**

Y1	\$15,000,000	\$6,100,000
Y2	\$15,000,000	\$5,490,000
Y3	\$15,000,000	\$4,941,000
Y4	\$15,000,000	\$4,446,900
Y5	\$15,000,000	\$4,002,210
Y6	\$15,000,000	\$3,601,989
Y7	\$15,000,000	\$3,241,790
Y8	\$15,000,000	\$2,917,611
Y9	\$15,000,000	\$2,625,850
Y10	\$15,000,000	\$2,363,265
Y11	\$15,000,000	\$2,126,938

**Inflation** 103%

## Property/Real Estate Taxes

Mill Rate, Less Dade's Revenue	0.01513
Miami-Dade's Revenue Mill Rate	0.00562
Miami-Dade's Total Mill Rate	0.02075

Assessment Value of Real Property 90%

## Sales Tax Rates

### **Calculation: Income Available For Sales Tax**

### **Income Devoted to:**

Federal Income Tax Liability, 20%	0.80
Housing, Insurance, Real Estate Taxes, 25%	0.75
Savings, Life Insurance, 10%	0.90
Food, Drugs, Other Non-Tax Items, 25 %	0.75

## Sales Tax Rates

Florida Sales Tax	6.00%
Miami-Dade County Sales Tax	0.12%
Total Sales Tax	6.12%

# QTI-TJIF Combined Incentive Breakdown

Confidential Project # 07-00135

QTI- 11 Year Payout & TJIF 8-Year Payout

<b>Miami-Dade County General Fund:</b>	<b>\$905,329</b>
<b>Total New Property Taxes</b> (County General Fund x 0.9):	<b>\$814,796</b>
<b>QTI Miami-Dade County Match (20%):</b>	<b>\$105,000</b>
<b>QTI Portion from Total Local Sales Taxes:</b>	<b>\$23,653</b>
<b>QTI Portion from Local Property Taxes:</b> Miami-Dade County QTI 20% Match minus QTI Total Local Sales Taxes	<b>\$81,347</b>
<b>Total New Property and Local Sales Taxes:</b> (Total New Prop. Taxes + QTI Portion from Total Local Sales Taxes)	<b>\$838,450</b>
<b>TJIF Local Incentive Amount:</b> (Total New Property & Local Sales Taxes minus QTI 20% County Match)	<b>\$733,450</b>
<b>Total Local QTI + TJIF Incentive Amount:</b>	<b>\$838,450</b>
<b>Net Revenue Benefit to Miami-Dade County</b> (General Fund):	<b>\$90,533</b>
<b>Total Return on Investment (ROI):</b>	<b>1.1</b>

<b>Total Incentive:</b>	<b><u>\$1,258,450</u></b>
(QTI 20% Local Match)	\$105,000
(QTI 80% State Match)	\$420,000
(TJIF 100% Local Match)	\$733,450

# GENERAL PROJECT OVERVIEW

07-00135

Name of Business

Project Detect

Project Title (1-5 word description)

FOR EFI USE ONLY

Date Received

Date Completed

07-00135

Project Number

It is suggested that you contact Enterprise Florida at the below address to discuss your project and application **before** submitting a formal proposal

The completed and signed application must be filed with:

**Enterprise**  
**FLORIDA, Inc.**

**The Atrium Building, Suite 201 • 325 John Knox Road**  
**Tallahassee, Florida 32303**  
**850/488-6300 • Fax: 850/922-9595**  
<http://www.eflorida.com/>

# Employer Identification

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## BUSINESS INFORMATION:

1.
  - a) Name of Business Unit: \_\_\_\_\_
  - b) Mailing Address: \_\_\_\_\_
  - c) Name of Parent Company (if applicable): \_\_\_\_\_
  - d) Primary business unit contact:  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Company: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_ Website: \_\_\_\_\_
  - e) Business unit's federal employer identification number: \_\_\_\_\_
  - f) Business unit's unemployment compensation identification number: \_\_\_\_\_
  - g) Business unit's Florida sales tax registration number: \_\_\_\_\_
  - h) List NAICS and SIC codes of all activities of the business unit: NAICS 325412,  
SIC 2835  
Targeted Industry: Life Sciences
  - i) Describe the business unit's primary business activities: Development and  
manufacture of cell culture products which are used by biopharmaceutical  
manufacturers in the production of cell-based therapeutics.
2.
  - a) Is the business unit minority owned: \_\_\_\_\_ YES \_\_\_\_\_ X NO
  - b) If YES, explain: \_\_\_\_\_
3. Business unit's tax year (ex: Jan. 1 – Dec. 31): October 1 – September 30

## Project Identification/Information

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4.
  - a) Is the business unit a (please choose one):  
☒ A new business unit to Florida  
☐ An expansion of an existing Florida business unit
  - b) If an expansion, how many Florida employees are currently in the expanding business unit<sup>1,2</sup>? \_\_\_\_\_ N/A
  - c) How many individuals are employed in ALL Florida locations? 0

<sup>1</sup> Existing Florida employees cannot be included for consideration in certain incentive awards.

<sup>2</sup> Incentives may not be used in connection with any project that involves the relocation of jobs from one Florida community to another.



5. Full project description: Confidential Project #07-00135 is considering the purchase of the IVAX Pharmaceuticals manufacturing facility in Miami-Dade County. Confidential Project #07-00135 would renovate the site for the production of powder and liquid cell culture media and peptones. These cell culture products are used by biopharmaceutical manufacturers in the production of cell-based therapeutics, vaccines, etc. The project involves a \$21M capital investment and will create 75 jobs over 8 years. Confidential Project #07-00135 is a part of the Biosciences business segment of a major Northeast Biosciences firm. Confidential Project #07-00135 sells premium products and instrumentation for research and clinical applications in the fields of immunology, oncology, and drug discovery.
6. Check the appropriate box and complete the line item:  
 X Project's current location address, if applicable: \_\_\_\_\_  
 X Project's proposed location address, if different from above: \_\_\_\_\_  
50 NW 176<sup>th</sup> Street, Miami, FL
7. a) Located on Brownfield Site or in a Brownfield Area? X YES    NO  
 (Please attach a copy of the official document that designated this area a brownfield area.)  
 b) Will project be locating or expanding in an Enterprise Zone?  
  X   YES    NO Which Zone: North Central Miami EZ-1301  
 c) Will project be locating in a designated rural area?  
   YES X NO Which designated rural area: \_\_\_\_\_
8. County in which project is/will be located: Miami-Dade County
9. Indicate the portion of the project (if any) that will be performing headquarters functions   0   % and check the box that best defines your project. Answer a) AND b):  
 a) ☐ Multistate business enterprise      b) ☐ Regional headquarters office  
      ☒ Multinational business enterprise      ☐ National headquarters office  
    ☐ International headquarters office  
    ☒ Manufacturing site
10. Unless this is solely a designated headquarters project, please estimate percentage of gross receipts or final sales resulting from project that will be made outside of Florida:   99   %
11. Indicate the portion of the project (if any) that will be performing non-headquarters functions. Enter the industry description and code of each industry included in this project:
- | Business unit Activities           | 5-6 digit NAICS Code | 4 digit SIC Code |
|------------------------------------|----------------------|------------------|
| <u>Manufacture of bionutrients</u> | <u>325412</u>        | <u>2835</u>      |
|                                    | <u>100</u> %         |                  |
12. List the 5-6 digit NAICS and 4 digit SIC code(s), estimated employment, and the annualized average wage (not including benefits) for activities included in the project:  
 NAICS/SIC 325412/2835 Est. Employment 75 by yr. 8 Annualized Wage \$ 54,152.00  
 NAICS/SIC \_\_\_\_\_ Est. Employment \_\_\_\_\_ Annualized Wage \$ \_\_\_\_\_  
 NAICS/SIC \_\_\_\_\_ Est. Employment \_\_\_\_\_ Annualized Wage \$ \_\_\_\_\_

13. a) Anticipated annualized average wage (not including benefits) of the new to Florida jobs created by the project at the business unit: \$54,152.00  
(Cash performance bonuses and other cash payments to the employees, such as overtime, should be included. The anticipated wage reported here is only an estimate of the average wage to be paid. The wage indicated in response to an incentive attachment, if applicable, will be used in the certification, agreement, and claim evaluation process.)
- b) Annualized average value of benefits associated with each new job created by the project at the business unit: \$18,953.20
14. a) Describe the capital investment in real and personal property (examples: construction of new facility; remodeling of facility; upgrading, replacing or buying new equipment. Do not include the value of land purchased for construction of a new building): Approximately \$15.0M will be spent to renovate the existing buildings. An additional \$6.1M will be invested in new process equipment.
- b) List the anticipated amount (within three (3) years) and type (purchase of machinery/equipment, construction of buildings, etc.) of major capital investment to be made by the applicant in connection with this Florida project:
- |           |              |                                    |
|-----------|--------------|------------------------------------|
| Amount \$ | <u>15.0M</u> | Construction/Renovations           |
| Amount \$ | <u>6.1M</u>  | Manufacturing Equipment            |
| Amount \$ | <u>0</u>     | Research and Development Equipment |
| Amount \$ | <u>21.1M</u> | Total                              |
- c) Estimated square feet of new or newly expanded facility: A 90,000sf facility will be renovated. Approximately 40,000sf of the facility was newly constructed by IVAX and will be used in its current condition with the addition of new process equipment for Confidential Project #07-00135 manufacturing. The other 50,000sf is in shell condition and will be completely renovated to accommodate additional clean manufacturing space, laboratories, office and warehouse.  
Two additional buildings (a 100,000sf manufacturing bldg and a 112,000 warehouse) on site will be left in their current condition.
15. Anticipated date of beginning of construction for this project: August 2007
16. Anticipated date project will be in operation: phase 1 July 2008, phase 2 , December 2008

## Project Impact Information

17. What role will the incentive (or incentives) play in the decision of the applicant to locate or expand in this state? (If there are other states/communities competing for this project, please list which states/communities and what incentives are being offered by these states/communities.)

Incentives will be a key decision factor in determining the location of the Confidential Project #07-00135's manufacturing operation. Confidential Project #07-00135 has a significant presence in the Northeast. The headquarters of Confidential Project #07-00135 business is currently located in the Northeast. Sites in Pennsylvania & Maryland are also being considered for the project. These sites would allow the new manufacturing site to leverage support from existing ops. Incentive letters have been received from both PA and MD for this project.

18. Provide a brief synopsis on the special impacts the project is expected to stimulate in the community, the state or regional economy, focusing on economic conditions in the area, including the unemployment rate in the community where the project will be located.

The economic impact of Confidential Project #07-00135 will be multifaceted. A targeted industry, Confidential Project #07-00135 will bring 75 high quality high income jobs to Miami-Dade County, and will be located in an enterprise zone. As such, Confidential Project #07-00135 will contribute to Miami-Dade's continued effort of increasing economic growth through the recruitment and retention of life science companies. Accordingly, the company will be instrumental in providing biologix based products for the emerging life sciences concentration in Miami-Dade County.

19. a) A brief review of the applicant's past activities in Florida and in other states, particularly as they relate to environmental and growth management impacts and how these have been handled. (Basically, what kind of corporate citizen has the applicant been?)

**Inserted below is Confidential Project #07-00135 Safety & Environmental Policy Statement from its website.**

Confidential Project #07-00135 Safety & Environmental Policy

We are committed to the design, manufacture, and distribution of safe and effective medical technology products and services. In doing so, it is our goal to protect health, safety and the environment, and to prevent accidents, injuries and occupational illnesses wherever possible. Consistent with this mission, it is our policy:

- To provide a safe and healthy workplace for all employees.
- To be responsible corporate citizens, complying with regulations as a minimum and establishing our own procedures and programs where regulations are not considered adequate or do not exist.
- To design health, safety and environmental protection into all of our products and services.
- To offer information and services on safe use and disposal of our products through training and education.
- To minimize the discharge of hazardous materials and the generation of waste, promote recycling and resource recovery, conserve energy, water, and natural resources, and reduce air emissions and water effluents at our facilities worldwide.

Since health, safety and environmental management is a shared responsibility this policy applies to each one of us at Confidential Project #07-00135.

*January 1, 2006*

b) Any criminal or civil fines or penalties and any awards. (If yes, please explain)

None

20. You may request that your project information (including the information contained in this application) be confidential per F.S. 288.075, Confidentiality of Records.

    X     YES, we Request Confidentiality

           NO, we do not Request Confidentiality

**\*\*\*\*Be sure to attach proper incentive sheet(s)\*\*\*\***

Authorized officer

Application completed by:

(Signature)

(Print or Type Name & Title)

(Company)

(Phone Number)

(Fax Number)

2.16.07

(Date)

(E-mail Address)

completed by:

(Contact Person, if different)

(E-mail Address if different)

Director, Real Estate

(Address if different)

(Phone if different)

To the best of my knowledge, the  
information included in this application is  
accurate.

(Signature of Authorized Officer)

(Print or Type Name of Authorized Officer)

(Print or Type Title of Authorized Officer)

(Company)

(Phone Number)

(Fax Number)

2.16.07

(Date)

(E-mail Address)

# Qualified Target Industry Tax Refund as an attachment to the General Project Overview for

\_\_\_\_\_  
(Name of Business)

*Must be a business unit or reporting unit of a business unit that is registered with or will be registered with the State of Florida for unemployment compensation purposes.*

\_\_\_\_\_  
**07-00135**

(Project Code or Number)

1. **IMPORTANT NOTE:** This application must be filed prior to making the decision to locate a new business unit in Florida or to expand an existing Florida business unit.

The tax refund claim form will be due by January 31<sup>st</sup> each year for the number of jobs on December 31<sup>st</sup> of the previous calendar year.

The tax refunds paid per state fiscal year (July 1 – June 30) may not exceed 25 percent of the total tax refund award associated with the phase(s) scheduled. The total award will be equal to \$3,000 (\$6,000 in Enterprise Zones or Rural Counties) times the number of jobs reported in item 2a), plus \$1,000 per job if the average annual wage exceeds the area's average by 150% or \$2,000 per job if the average annual wage is in excess of 200%. However, the QTI award may not exceed five times the local financial support paid by the community.

2. Project employment and wages:

a) Total number of net new full-time equivalent Florida jobs created by the project at the business unit indicated on Overview: 75 jobs by 2015

b) Are any employees being transferred from another Florida location?<sup>1</sup> No  
If employees are being transferred from another Florida location(s), how many and from where? \_\_\_\_\_

If employees are being transferred from another Florida location(s), why are they moving and why is it justified in light of 288.106(2)(b)?<sup>2</sup> Florida Statute? \_\_\_\_\_

<sup>1</sup> Existing Florida employees cannot be included for consideration in certain incentive awards.

<sup>2</sup> Florida Statute, 288.106 (2)(b) specifically prohibits the awarding of QTI in connection with any project that involves moving jobs from one Florida community to another except given very specific, clearly demonstrated, circumstances.

- c) If jobs are to be phased in, provide the date when each phase of employment will be fully implemented: *(Please limit the phases to no more than three consecutive years and job creation to no less than ten jobs in any given year.)*

Phase	Number of net new full-time equivalent Florida jobs created in <u>business unit</u> <sup>3</sup>	Date by which those jobs will be created
Phase I	32	12/31/08
Phase II	4	12/31/09
Phase III	0	12/31/10
Phase IV	6	12/31/11
Phase V	8	12/31/12
Phase VI	7	12/31/13
Phase VII	9	12/31/14
Phase VIII	9	12/31/15
<b>Total</b>	<b>75</b>	

For purposes of certification, agreement, and claim review, indicate the wage and corresponding threshold (percentage) to which you commit:

- a) \$ \_\_\_\_\_ which is 115% of the \_\_\_\_\_ average wage of \$ \_\_\_\_\_ in \_\_\_\_\_  
(year)
- b) \$ 54,152 which is 150% of the 2005 average wage of \$ \_\_\_\_\_ in Florida  
(year)
- c) \$ \_\_\_\_\_ which is 200% of the \_\_\_\_\_ average wage of \$ \_\_\_\_\_ in \_\_\_\_\_  
(year) (Enter the name of the county, MSA, or "Florida")

3. Amount of "Local Financial Support" identified by local governing body

\$ 105,000

Type of Support	Amount of Support
Cash	\$105,000
Ad Valorem Tax Abatement <sup>1</sup>	\$ _____
Land Grant by Local Governing Body <sup>1</sup>	\$ _____
Waived <sup>1,2</sup>	\$ _____

<sup>1</sup> Refund paid to Business unit will be reduced by this amount.

<sup>2</sup> Only available in Rural Counties.

(Attach the resolution adopted by the local governing body recommending the applicant be approved as a QTI Business unit and indicating the level of local financial support that has been committed. Clearly indicate waivers requested and justification for such waiver.)

<sup>3</sup> Must be a minimum of 10 new jobs or a 10 percent increase (whichever is greater) in existing employment, unless the project is located in a rural community or Enterprise Zone.

PLEASE BE SURE TO ATTACH TO THE GENERAL PROJECT OVERVIEW.

Signature of individual completing this portion  
(If different from General Overview)

Authorized Officer

Date

2.16.07

Address if Different)

Sr. Exec. VP and CFO

Phone

Signature of Authorized Officer

Date

Please print or type name of Authorized Officer